



intelli-CTi

**The Role of CTI  
in Developing CRM Strategies**





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## Document Information

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## The Role of CTI in Developing CRM Strategies

### Executive Summary

Customer Relationship Management (CRM) and Computer Telephony Integration (CTI) - the latest buzzwords in marketing or a strategic requirement to stay in business? This paper aims to introduce both concepts and discuss how one may support the other.

Undoubtedly, CRM is a strategic matter. Retaining and developing customers has long been a critical success factor for businesses. In that sense, Customer Relationship Management is not new, previously falling under the guise of customer satisfaction. It is perhaps with the rapid rise of new entrants to the market place and increased competition that companies have discovered the new business potential of CRM.

### What is CRM?

CRM is a complete suite of customer and business intelligence applications. It enables the analysis of critical data for:

- Customer acquisition and retention
- Management of marketing and sales campaigns
- Cross-selling
- Analysis of product and customer profitability
- Planning and optimising distribution channel performance
- Individual customer service and personal care

Inevitably the definition of CRM is continuously evolving over time but it must always be regarded as a long-term approach to be adopted at a strategic level.

### What are the Benefits?

CRM enables companies to reduce the cost of acquiring new customers and increase client retention through the improvement of customer care and cross-selling additional products and services. CRM provides companies with the necessary tools to “know” their clients and prospective clients as individuals and therefore target their wants and needs more effectively. It is well known that it costs more to attract new customers than it does to retain existing, profitable ones.

CRM requires organisations to:

- Deliver on service promises – i.e. a company advertises its service and adheres to what it says provides
- Integrate products and service channels effectively
- Customise services, products and prices
- Create opportunities for cross-selling and recognise the potential future requirements

- Reduce the time taken to introduce new products and services to the marketplace.

*CTI can help with these requirements ...*

### **What is CTI?**

CTI (Computer Telephony Integration) is co-ordinating telephone technology with computer systems. The technology has been in existence in commercial form, since the mid-1980s but has only been exploited in a few niche markets; for example, in large call centres where call volumes easily justified the cost of such customised systems. The 1990's saw CTI systems become significantly simplified and cheaper, therefore the interest among other markets grew.

CTI allows the computer and the telephone systems to work in tandem, communicating effectively together. With effectiveness across both inbound and outbound telephone operations, CTI manages incoming and outgoing calls more efficiently, enhancing performance and improving customer care and management.

### **Inbound Calls**

CTI enables caller identification, similar to what we all recognise on mobile telephone screens. When the telephone rings, the appropriate caller's record and that customer's details are displayed along with their history of previous calls, etc. Sophisticated CTI systems can automatically direct the call to the operator who previously dealt with them, improving customer care, as the operator is conversant with the caller's likely needs before answering the call. The operator can then adapt immediately to the nature of the call providing a highly personalised service to the customer.

### **Outbound Calls**

Studies have demonstrated that manual dialling can take up to 2 minutes to engage and qualify a telephone call. CTI transforms making a telephone call to a sub second engagement – all through the single click of a mouse. CTI will enhance the performance of volume telesales calls and eliminate dial errors.

## Call Processing, Statistics and Auditing

CTI solutions can greatly improve the call flow process, by automating tasks and ensuring your business processes are followed. CTI can also track and record telephone activity to enable call logging and statistical analysis. This information can be used as auditing data for security and compliance purposes.

## What Role Does CTI Play in Delivering CRM Strategies?

CTI plays a key role in delivering customer care strategies. When using the telephone as point of contact, it is the customer's only impression of the company contacting them. The use of CTI transforms this contact to portray an image of professionalism and efficiency. For example, at any one time, many blue chip organisations may be implementing costly marketing campaigns on multiple products. Some of these campaigns may have direct response mechanisms, i.e., a Direct Dial Inbound (DDI) number - "call this number for a free information pack". CTI technology can distinguish and recognise which campaign a caller is ringing in response to and immediately route the call to the appropriate team for action.

## Integrating CTI into Your Business Environment

When a company makes the decision to implement a CTI system the first step is to define the business objectives, i.e., what does the business want to achieve from the use of a CTI system? The following are common objectives:

- Improve customer care - retain 100% of customers whilst still attracting new ones
- Achieve competitive advantage
- Use the service as a unique selling point (USP)
- Increase efficiency
- Increase cross selling opportunities

There are also key questions that should be asked when considering a CTI solution:

- How will this technology improve our bottom line profitability?
- Will the system automatically integrate with our existing computer and telephone systems?
- What is the likely return on investment?
- What is the cost of development and consultancy?
- What level of staff training will be required?
- What level of support will be required?

## What Should CTI Provide?

As well as defining the business objectives there is the question of what a CTI system should provide and what organisations should consider when selecting a suitable provider.

- The system should be highly scalable, portable and preferably telephone switch independent. This means that irrespective of switch provider, the CTI system should easily integrate. This is not always the case as some switch providers also provide CTI solutions and inevitably they only integrate with the same system.
- Seamless integration with all CRM systems and front office applications is also crucial. So whatever database package used, whether it's front-office applications such as Microsoft Outlook or Microsoft Access or specialised CRM systems such as SalesLogix™, integration should be seamless and without need for costly additional system development and consultancy.
- SoftPhone applications are software that mimic the telephone's behaviour but allow the operator to use just a headphone and the mouse in place of the telephone handset. CTI systems that use this technology can improve call efficiency greatly by reducing engagement times.
- Incoming call handling is key to CTI. A pop-up screen provides the details of the caller, allowing the operator to pre-empt the requirement of the call from the caller's previous history. For example, a caller has contacted the company several times reporting a discrepancy with their mobile telephone bill. This information would be displayed on the screen and the operator would know before engaging the call that they may be dealing with a disgruntled customer and can adopt the appropriate response.

## Why is CTI Crucial For Effective CRM?

At a macro level, data captured from the integration of telephone and computer systems enables companies to identify opportunities for cross-selling, new product development and discover trends in market movements to more effectively establish distribution channels and take advantage of market changes giving them competitive advantage, therefore improving bottom line profitability. More importantly, at a micro level, it enables organisations to develop relationships with individual clients based on their knowledge of the client's past history, personal needs, likes and dislikes etc.

CTI gives organisations the ability to provide individual care to every customer.

## CTI in Action – A Case Study

A marketing communications company was looking to improve the efficiency of its sales calls for new business development and also had caller identification linked to its database. The company utilised a Bosch telephone switch system and a Microsoft Access database but, with projections of rapid growth, planned to upgrade the database to a tailored customer management system within twelve months. The company identified an immediate requirement for CTI but needed to ensure that the system implemented would be future-proof to grow with the company and work with the new, tailored system once installed. It also needed to ensure that the number of users of the system could effectively increase with the growth of the company and its new business development activities.

After conducting initial research into CTI, the marketing company chose a product called **intelli CTi™** from **QGate Software**.

**intelli CTi™** would not only provide immediate and seamless integration with the company's existing systems, it also provided the flexibility to integrate with any switch<sup>1</sup> system and almost any CRM solution meeting the business requirements of the potential database upgrade.

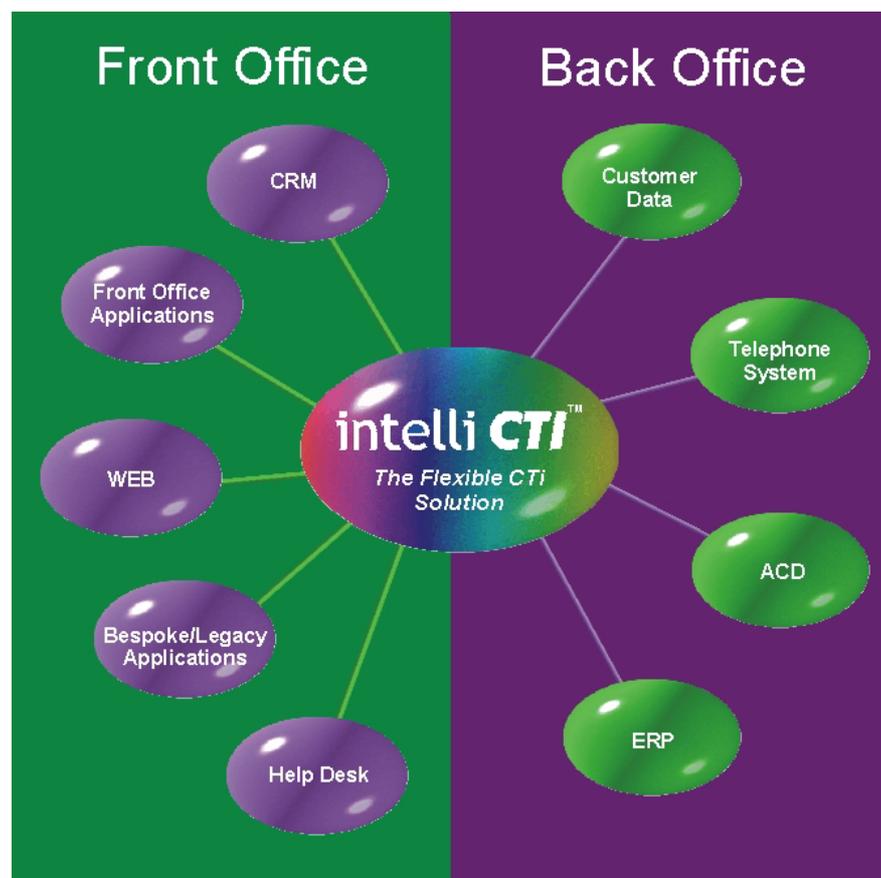


Figure 1 - intelli CTi systems integration model

<sup>1</sup> Any TAPI or TSAPI/CSTA compliant switches

By integrating with any switch provider, it meant that there were no costly on-development or consultancy fees and the system could be implemented rapidly. Due to the versatility of **intelli CTi™**, the marketing company integrated their system without the need to change any of their existing technology.

### Conclusion

There are many facets involved in effective customer care but one of the most important is the feeling of personal service and care which has long been lost in the world of big business. With the advent of the internet and advanced technology, business is truly global and the competitive landscape has dramatically changed. Personal, face-to-face service is a thing of the past and customer choice now plays a pivotal role in the prosperity of businesses. More and more often customers search for an organisation that not only provides quality products and services but also provides a personal touch.

As the telephone replaces face-to-face interaction, organisations need to ensure customers are treated as individual people. The use of CTI within a full CRM strategy provides the individual service and personal care that are now demanded in the market place.

For more information about our CRM and CTI solutions, please contact QGate Software.